

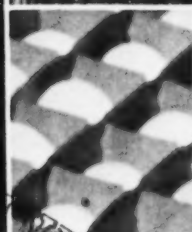
USDA

AGRICULTURAL MARKETING

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SAUSAGE—
AN APPETIZING SANDWICH FILLER

C&MS Personnel Spotlight on CFP Food Tradesman

JOHAN BUCHANAN is a "salesman" in the U. S. Department of Agriculture's Consumer and Marketing Service. He's a member of the food trades staff of C & MS's Southeast District Consumer Food Programs Office in Atlanta.

His work is important to each of us. Why? Here's an example. Some vegetables are usually harvested and sold over several months in different parts of the Nation. But vagaries of weather may cause a crop to mature early in one area and late in another, so that both hit the market at the same time.

Without special help in marketing, this can break the price—till the crop is not worth harvesting and is left to rot, causing disaster for some producers. Later, the crop may be short in the stores, with high prices to consumers.

If consumers can be encouraged to buy the temporary surplus, they get a bargain, food waste is reduced,

producers get a better price—and some may be saved from bankruptcy.

Mr. Buchanan works through the Plentiful Foods Program to help keep foods moving through normal trade channels. He helps avert gluts by personally promoting purchases of plentiful among grocers, hotels, hospitals and other institutional feeders.

His typical day might go like this: After spending a week working in any "Major Market City, Southeast U. S. A.," he catches up on mail and "required reading"—market bulletins, news releases and trade publications.

Next, he reports to the district director on his trip. Then he writes follow-up letters to contacts made and informs other cooperators of the month's plentiful foods.

Washington telephones for special merchandising support on an especially heavy supply of celery. Action

must be taken to prepare a quickie flyer. Another round of letters and phone calls urges food industry help to relieve the situation.

Before the day is out, the C&MS food tradesman may also serve as guest lecturer to a university class in food service management or attend a sales meeting to get in a word about plentiful foods.

John Buchanan discusses special marketing problems.



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COVER STORY

There's a sausage for every taste. See pages 8 and 9. See also Plentiful Foods for August, page 12.



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TRANSPORTATION CLOSES THE GAP



C&MS transportation specialists look for economical, efficient ways to close the gap in dollars and distance between producer and consumer.

By James H. Lauth

A MERICA'S FARMER a century ago produced only enough to feed himself and two or three others. Today he produces enough to feed himself and 36 other persons, but he may have to send his products a thousand miles away to these other persons.

In fact, in 1966, \$5.1 billion—nine percent of the total \$55 billion marketing bill for farm food products—was spent on transportation, moving these products from the farm to the market. Farmers received only \$28 billion of the \$83 billion spent by consumers for food.

The U. S. Department of Agriculture's Consumer and Marketing Service has transportation specialists who look for ways to help reduce the spread between what the farmer gets and what the consumer pays—through more efficient and economical transportation services and rates.

C&MS transportation specialists have been serving the agricultural community a long time. For many years, when most transportation for agricultural products was by rail, with limited competition from barges and trucks, they were primarily concerned with fighting for a ceiling on the rate levels and for improved services so that as many producers and processors as possible could reach as many markets as possible at the lowest rates.

The basic rate structures for many agricultural products set up by the Interstate Commerce Commission in the 1930's built up a marketing and transportation framework which lasted through the 1950's.

These rates recognized the com-

petitive relationships between producing and marketing areas by including transit privileges so shippers could store and process their goods along the way with no increase in cost.

They allowed raw materials to ship at the same price as the products manufactured from them, with the same rates on wheat as on flour, or the same rates on mixed feed as on feed grains. Therefore, manufacturing was possible at or near the source of supply, the consuming market, or someplace in between. A shipper could put his wheat on a train in Fargo, N. Dak., take it off in Minneapolis for milling, then ship the flour on to New York for the same rate as sending the wheat all the way.

Working on a "value-of-service" basis, railroads charged higher rates on high-priced goods than on cheaper goods when they could both be similarly transported. Market proportional rates allowed grain elevators at Sioux City, Omaha and Kansas City to ship grain to any feed mill in the DelMarVa (Delaware, Maryland, Virginia) area for the same price. Large and small shippers paid the same rates.

Feed processing and merchandising industries, developed on the framework established by these basic rate structures, and a gradual rise in rate levels on an equal basis maintained this framework.

However, the trucking and barge businesses have competed intensely for rail traffic. As railroads' share of the transportation of farm products fell to about 40 percent of the total, they began to offer lower rates made

possible by lowered cost of operation. Instead of group rates, they offered mileage rates. They also established nontransit rates whereby shippers must pay extra to stop along the way with their goods for storage or processing.

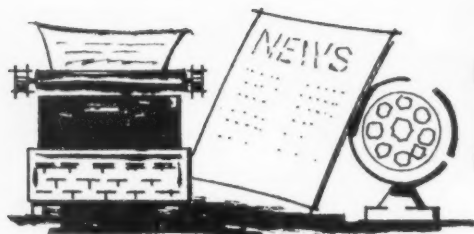
They offered shippers lower rates for using larger cars, more than one car, or even an entire train. In some instances rate-making is on an "a la carte" basis with reduced rates for transportation, but added charges for additional services.

This trend to cost-related rates has far-reaching effects on the competitive relationship between producing areas and processors and the marketing system. These changes affect where production occurs, where processing plants are located, the size and number of firms in an industry, the size of markets, and methods of merchandising.

Anticipated increase in jet air cargo transportation of agricultural products will introduce a new competitive element, allowing lower inventory and packaging costs and reduced need for storage facilities.

C&MS transportation specialists remain alert to these changes and their implications to the marketing system so USDA's representation to the carriers and to the transportation regulatory agencies can help develop a marketing system which will dispose of the full production of American farms efficiently and economically.

The author is Assistant to the Director, Transportation and Warehouse Division, C&MS, USDA.



THE CHANGING FACE of MARKET NEWS

Television and radio dissemination of information . . . use of telephone recorders . . . market news reports direct from production areas. What's next?

by George R. Grange

IN A WORLD of perpetual metamorphosis, the only constant is change itself.

Our changing world, which simultaneously shrinks with each development in transportation and electronics and expands under the influence of data processing and biologic and spatial research, is having striking effects on the agricultural marketing industries.

And on the government services which support those industries.

A good example is the Federal-State Market News Service, a 52-year-old program which provides up-to-the-minute information on prices, supply, and demand to all phases of the agricultural marketing system. But as with all service programs, change is to be expected in the market news program.

In fact, during the past five years, some 3,750 changes were made in market news programs across the Nation, according to a recent survey by USDA's Consumer and Marketing Service, which administers the Federal-State Market News Service.

To get an idea of the types of changes in the market news service, we might take one office as an example, and list the changes in that office over the five-year period. The fruit and vegetable market news office in Denver, Colo. is fairly typical:

1962—Began covering sales of lettuce in the San Luis Valley of Colorado.

1963—Began releasing apple prices for western Colorado for radio stations and newspapers, through a news wire service. Started covering sales of on-

ions for northern Colorado.

1964—Substituted press and radio dissemination of peach market news for the earlier mimeograph reports.

1965—Installed a telephone recorder in Monte Vista, Colo., to provide potato market news to growers and shippers in the San Luis Valley.

1966—Telephone recorders were installed in Greeley and Rocky Ford to provide market news to growers and shippers in those areas.

Began reporting quantities and prices to growers of chip stock potatoes (for potato chips).

Many of the 3,750 changes across the Nation were minor—like adding a local report where it was needed or sending a report in everyday English instead of in code so it could be more easily understood—but many were also major changes reflecting the kaleidoscopic alterations of the marketing system.

One of the major changes in today's agricultural marketing system is the shift in points of sale.

Not so long ago, agricultural products customarily were shipped to central terminal points for distribution across the Nation. Livestock went through about 20 major terminals, fruits and vegetables through 24, cotton through 10. But changes in transportation, in ways of doing business, in the organization of the food and fiber industries, have changed all that. Although terminal markets are still important, and many of the traditional markets still exist, much of today's produce now is sold directly to pro-

cessors and retailers from country buying-stations.

Market news has had to keep up with this change in marketing structure. Market news reporters now determine prices, movement, and demand situations in the major production areas throughout the country.

Major shifts in livestock market news reporting over the past five years are a part of this response. For example, direct cattle sales reports were started in nine major marketing areas in the five-year period, to fill in the gaps caused by altering market patterns.

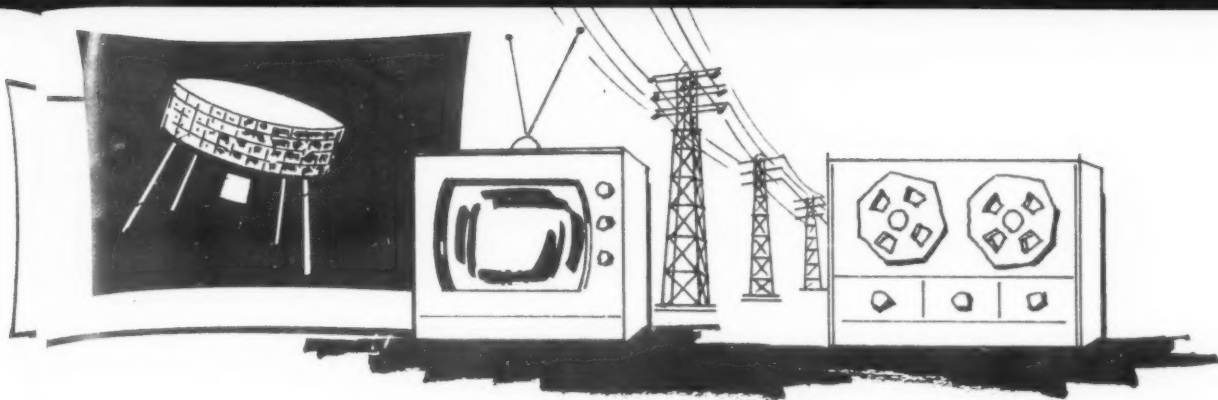
In addition, because fewer cattle are moving through terminal mar-

The author is Deputy Administrator for Marketing Services, C&MS, USDA.

kets to meat packers, and more are sold directly to packers by producers, a need arose for market news on meat and slaughter receipts by packers. Four new meat reports now provide industry with immediate meat price information.

In July 1966 C&MS also began releasing estimated figures on the current day's livestock slaughter under Federal inspection. This up-to-the-minute report on complete industry transactions is the only one of its kind in the Nation.

The same process is taking place in fruit and vegetable market news, which due to the increased significance of trading in producing areas, has been expanded during the past five years to cover additional commodities at six shipping point of-



fices. Also, three terminal market offices have expanded their reporting activities to include trading in nearby growing areas.

In addition, while traditionally only sales of fruits and vegetables for fresh market use have been reported, market news reporters in producing areas are now gathering prices processors pay to growers for potatoes, apples, cherries, and some berries.

Grain market news reporters, who once operated only at terminal elevators, are now gathering prices in production areas—from country elevators—in 10 States, to meet the challenge of change in that industry. And dairy and poultry market news men now report prices on frozen eggs and on eggs to be processed, for the same reason.

Cotton market news has experienced a similar shift, from a few central "spot" cotton markets to country markets. Another change in cotton market news involves a new quality factor—the micronaire reading, a measurement of cotton fiber fineness now provided by the C&MS cotton classing service. Market news reports on cotton now relate prices to micronaire readings as well as to staple length and grades.

Similarly, tobacco market news has changed to reflect manner of marketing. In flue-cured tobacco regions, much tobacco formerly sold in "hands," or tied-up bundles of tobacco, is now sold loose or untied. Since this untied tobacco normally brings a different price than tied tobacco of the same grade, the market news service has begun reporting such prices separately.

A different situation has developed in the poultry industry. Here, "vertical integration" is the key to

change. Fewer and fewer broiler growers are totally independent operators, selling their product on the open market. Today, in most areas the broiler chicks are "contracted out" to growers by a processor or feed dealer, who pays the grower what amounts to a fee for his service. Thus, there is no longer a meaningful basis for the traditional system of reporting prices paid for broilers at the farm. Market news reporters have started reporting "ready-to-cook" prices, i.e. the prices received by processors for their already processed birds—now, in most cases, the first stage at which true market exchange takes place.

The shift in emphasis from central markets to direct sales or contract deliveries to the packer or retailer has had other effects on market news reporting. Once, a single market news man, placed in a central location, could report a large percentage of trade in that area. Today, with sales taking place in widespread areas, this is often no longer possible. So, to provide adequate coverage and still keep the cost of the service within bounds, market news offices have developed "cross-commodity" reporting, as well as "cross-utilization" of personnel.

"Cross-commodity" reporting works like this: In a typical production area, there may be a significant movement of livestock, fruits and vegetables, and poultry—but not enough to justify one market news reporter for each commodity. So, one man (perhaps a livestock reporter) is given additional training and thereafter reports on all three major commodities in his locality. Through such arrangements the government (meaning the public) saves money and commodity traders

and producers receive added service.

"Cross-utilization" is similar. In another situation, there may be a need for a half-time grain reporter and a half-time grain inspector (also a government employee). So one man is trained to perform these two jobs, and another savings is realized with no loss of service.

Most of the C&MS Market News Services now use these techniques to meet the challenges of increased decentralization (or "localization") of the marketing industry.

In addition, the Federal-State Market News Service has been relying more on State departments of agriculture to provide market news coverage of the many widely spread local markets. New cooperative agreements have been signed with a number of States in the past five years to supplement the many already in effect—and these are constantly being up-dated to meet local changes in the market. Today, more than 40 States cooperate with C&MS in gathering and distributing market information, working under 61 cooperative agreements.

Some changes in market news do not involve the marketing industry, but rather the media used to disseminate the information. As television has come into its present state of importance in communications, market news reporters have been using it to a greater extent—either by going on the air themselves or by furnishing the information to television farm and news directors.

Another media change which has taken place in recent years is the increasing use of telephone-answering equipment. The latest market news is taped into the answering
(continued, bottom column 1, page 13)

NECTARINES

an age-old fruit

GONE MODERN

A Federal marketing order features quality and advertising programs to broaden markets for this colorful, delicious, little-known fruit.

By Gilbert P. Muck

YOUR GROCER proudly displays a colorful, golden-fleshed fruit that's as tasty as it is handsome. The sign reads California Nectarines, and a full-scale merchandising program is helping to make this fruit a familiar favorite.

A fuzzless peach . . . or maybe a cross between a peach and a plum? Both false. A nectarine is truly a nectarine.

A member of the rose family, the nectarine is believed to have originated in China, where it grew centuries before the time of Christ. Trader caravans carried it to the Near East, where it flourished in Persian gardens as an exotic delicacy. Explorers probably brought it to the Western Hemisphere.

The ancient Chinese lords and adventurers of the past would surely approve the flavor of today's nectarine!

In California, where 98 percent of the Nation's crop is grown, a varietal revolution has taken place in the past 20 years. Virtually all the varieties of the State's nectarines now grown for eating as fresh fruit didn't exist until after World War II. Before that time, nectarines were white-fleshed and highly perishable. Today they're larger and much firmer — consequently have a far longer sales life. Instead of white, their flesh is golden. And their highly colored, smooth skins make nectarines particularly appealing in produce displays.

With the new varieties came new vigor for the California nectarine



Having survived since centuries before the time of Christ, golden-fleshed nectarines today are a colorful addition to any table. Here they grace a bowl as well as provide delicious flavor to a pie a la mode.

industry. Between 1951 and 1966, production soared from 12,000 to 68,000 tons. And U.S. per capita consumption rose from one-tenth to seven-tenths of a pound — placing nectarines with strawberries and avocados among the fresh fruits that have shown an increase.

Main producing area in California is the central San Joaquin Valley, where climate, water, and soil conditions are ideal for this fruit.

In the late 1950's, when commercial production of nectarines was rising sharply, growers agreed that it would be to their advantage to limit shipments to only the better quality nectarines, to build consumer confidence in their fruit. To carry out this idea, they worked with marketing specialists in the Consumer and Marketing Service of the U.S. Department of Agriculture in developing a Federal marketing order.

Launched in 1958 and in active operation today, the marketing order provides for industry-wide standards of quality, size, and maturity. A Nectarine Administrative Committee, composed of eight growers selected by the industry, administers the order. This committee is assisted by a Shippers Advisory Committee, which recommends the grades and sizes of nectarines that should be marketed during each season. The recommended requirements are studied by specialists in the Fruit and Vegetable Division of C&MS and, if approved, are issued by

USDA to apply to the entire California crop.

To ensure that shipments comply with the requirements, all nectarines are inspected by the Federal-State inspection service, operated cooperatively by C&MS and the California Department of Agriculture. Inspection certificates are prepared for each lot, to show that the fruit meets the requirements.

A more recently added tool under the marketing order — one that complements the quality program to help build consumer demand for the increased production — is an advertising and sales promotion program. Nectarine growers in June 1966 became the first commodity group to vote in this new feature of Federal marketing orders — authorized for 15 commodities, including nectarines, as a result of legislation passed by Congress in 1965.

During the 1966 marketing season, the Administrative Committee started an active merchandising program under the new authority. It included the stationing of dealer-service personnel in major U.S.

The author is a marketing specialist, Fruit and Vegetable Division, C&MS, USDA, in Sacramento, California.

markets to work with wholesalers and retailers and encourage them to feature nectarines.

Point-of-sale kits — containing multi-colored bin strips, over-the-wire hangers, and price cards — went to retailers for store promotional use. Advertising was prepared for trade periodicals, announcing the seasonal availability of the nine major varieties of California nectarines.

Supplementing this was the continued use of a food-page campaign, which the Administrative Committee has conducted since 1960. This campaign makes use of stories, recipes, and food photos — carried in newspapers throughout the country.

Nectarine-industry leaders expect production to continue expanding. Meanwhile, through the nectarine marketing order, the industry has helpful tools for achieving a favorable marketing climate for this age-old fruit gone modern.

"Lunch Poke" Comes to Jackson County, Tenn.

Both students and teachers reap the benefits of this unique school lunch program.

LIKE THEIR CITY cousins, some 265 boys and girls at six country schools in Jackson County, Tennessee, can and do enjoy nutritious lunches.

Unusual? Not really, except that only one of the six schools has more than two rooms, and none has a kitchen or even a hot plate. Many of the children attending these schools — in north central Tennessee some 60 miles northeast of Nashville — are from families with less than \$2000 annual income.

But still, the children are getting complete, nutritious lunches every day at school. It all came about through the hard work and ingenuity of local people and special Federal aid under the U.S. Department of Agriculture's National School Lunch Program. It's working here like it's working in hundreds of other old, poorly equipped schools with high percentages of needy children. They get extra help in defraying food costs so they can start school lunch and keep it going.

Understandably, the lunch program in the six small Tennessee schools is different from the lunch service that many school children are accustomed to, though it is a part of the regular National School Lunch Program administered cooperatively by USDA's Consumer and Marketing Service, and by State and local governments.

In a local Methodist Church

kitchen, food for the six small schools is cooked and packed for a daily trip of some 65 miles. Hot dishes stay hot; cold dishes are kept cold. Each item of food is packed in insulated cups with covers.

When ready, the lunches are packed in bags. Unofficially they are called "sack lunches," but other names have developed. "Brown bag" and "lunch poke" are also heard. ("Poke" is a dialect word meaning "bag" or "sack.") A staff of three cooks, two high school students, and a delivery man, handle the day-to-day operations, under supervision of the county director of food services and nutrition education. Jackson County's unique school lunch program began in January 1966. Before, there was no lunch service at all in the six small schools. Now, lunches are served to all students regardless of whether they make a small payment — 10 cents or less — or not. Special assistance under the National School Lunch Program helps defray food costs.

Its year and a half of operation is long enough to test its popularity and acceptance with the youngsters who range from the first to the eighth grades. Some resistance was encountered as foods new to the children were served. One of the larger boys when told that "peas are good" countered with "I never ate peas, and I'm never going to." He later ate peas and liked them. But

the general comment was good, and the natural aversion to anything new was gradually overcome.

Teachers say that attendance, attention, attitude, discipline, health, work habits, and mental outlook have improved since this program began.

Children who had never been in school a full day in their lives now attend regularly. Some of them have even asked for recipes of their favorites to take home to their mothers.

During the 22 school days of March 1967, the menu featured the favorite, beef stew, four times; peanut butter sandwiches, also preferred, appeared four times. Other servings were a vegetable lunch of pinto beans, carrots and cabbage slaw; tuna and egg salad; sliced luncheon meat; and one day, that top southern dish, fried chicken.

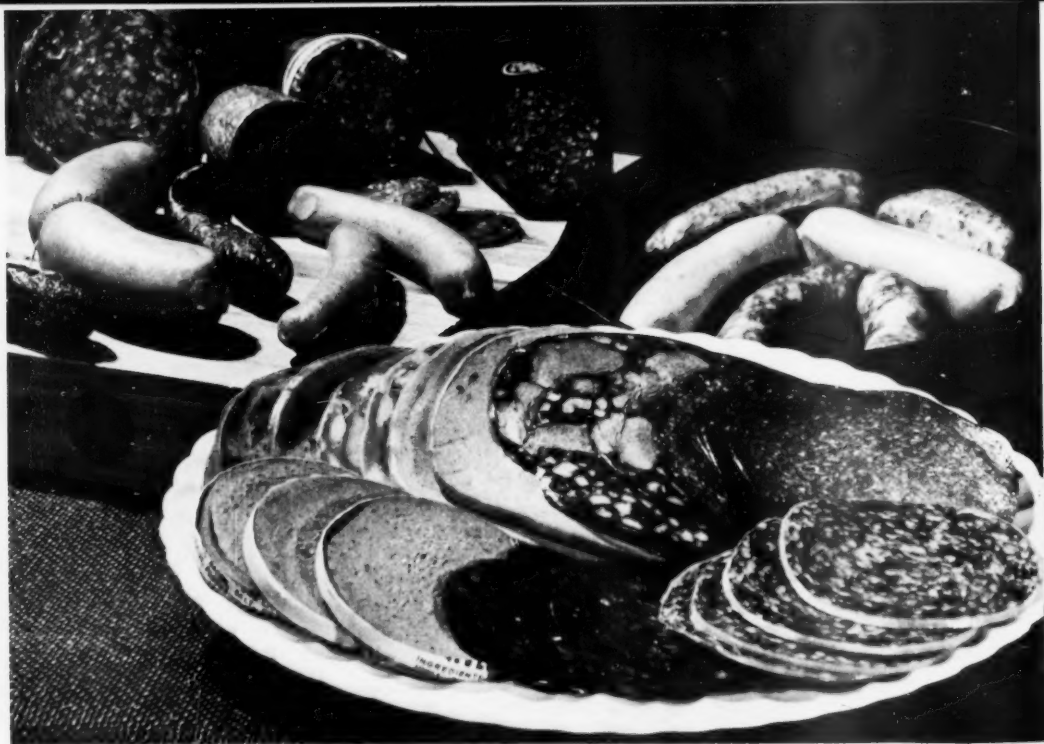
These lunches rate Type A, USDA's standard for nutrition. Designed to meet $\frac{1}{3}$ to $\frac{1}{2}$ of a child's daily nutritional requirement, each lunch must include:

- — A 2-ounce serving of cooked poultry, fish or red meat or other protein-rich food.
- — $\frac{3}{4}$ cup of 2 or more fruits or vegetables.
- — A serving of whole grain or enriched bread.
- — 2 tsp. butter or fortified margarine.
- — $\frac{1}{2}$ pint fluid whole milk.

The author, Lewis D. Wallace, due to celebrate his 100th birthday August 27, began his career with the Tennessee Department of Agriculture as editor of the *Tennessee Market Bulletin* at age 76.

In church kitchen food is cooked and packed to be sent to six schools. The school children eat the food especially prepared for them.





From the common frankfurter to the more exotic varieties from foreign lands, from the mildest flavored fresh pork sausage to the highly seasoned pepperoni . . . there's a sausage for every taste.

With more than 200 varieties produced, you're sure to find several suited for a hearty breakfast, an appetizing snack, or a light summer dinner.

And best of all, sausage is 100 percent edible; and each variety is packed with the same proteins, B vitamins, and minerals as the meat from which it's made.

You can be sure that the sausage you buy is wholesome . . . was derived from healthy animals . . . was processed under sanitary conditions . . . and is honestly packaged and labeled if it carries the familiar mark of Federal inspection — a symbol of protection provided by the U. S. Department of Agriculture's Consumer and Marketing Service.

All plants which sell sausage — and any other meat product — across State lines must operate under the watchful eye of the Federal inspector. Every step in the processing operation, from the time the meat enters the plant to when it leaves, packaged for the consumer, is carefully supervised.



This is an emulsion for frankfurters, as it looks after the grinding is completed and before it is stuffed into casings. This inspector is comparing the processor's list of ingredients with the formula that was approved in advance by C&MS.

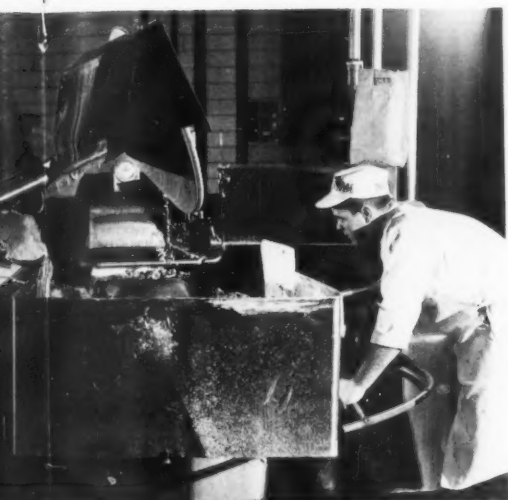


Automation has taken over the job of emulsion into either artificial or natural casings and tying the sausage with string in varying lengths. The freshly stuffed sausage is checked by the inspector as it comes out of the machine and before it is sent to the cooking and/or smoking.

Short or long
Mild or strong

Serve a SAUSAGE...you can't go wrong!

Since August is Sandwich Month, now's a good time to learn how sausage is made—and to experiment with some new varieties.



In this large mixer, fresh meat is being chopped to the desired consistency to form an emulsion, and seasonings are added according to a USDA-approved recipe. The meat and all other ingredients are inspected to insure their wholesomeness. Here, the C&MS inspector is checking the amount of chopped ice that is added to maintain proper grinding temperatures and facilitate the mixing of seasonings and other ingredients.



the job of stuffing the natural casings, and linking them into links of sausage as it comes out of the casing.



Do the ingredients on the retail label conform with those listed by the processor for that batch, and were these franks cooked and/or smoked as the label claims they were? That's what this inspector must determine before he releases the product for packaging.



After the sausage has been packaged for the consumer, samples are sent to C&MS laboratories for various tests. This is a double check to make sure the final product conforms to its label and USDA regulations. Imported sausage is also tested by the labs, in addition to being examined at the time of importation. These thorough inspection procedures assure you that products stamped with the circular mark of Federal inspection are wholesome, free of adulteration, and truthfully labeled and packaged.



C&MS
FOOD DISTRIBUTION PROGRAMS FOR NEEDY FAMILIES
 Locations as of May 31, 1967

This map shows as of May 31, 1967, areas in which a U.S. Department of Agriculture family food assistance program was either operating or planned. The areas (in white) are participating in either the food stamp or needy family program. The map includes some areas that are donating food before they shift to the food stamp program. In some areas, especially in the Northeast, food

donations are available in parts of a county rather than in the whole county. And in some areas food donations are available during only part of the year. Both programs are administered by USDA's Consumer and Marketing Service, in cooperation with State and local governments.

USDA Food Reaches More Counties Than Ever Before

About 5.2 million people in 2,195 counties and cities are participating in food-donation and food stamp programs.

SOME 3.5 MILLION needy persons in the United States took part in the U.S. Department of Agriculture's family food-donations program and an additional 1.7 million in USDA's Food Stamp Program during May 1967. Both programs are administered by USDA's Consumer and Marketing Service.

One or the other of these programs was operating in 2,195 counties and cities throughout the United States and the Territories.

While these programs differ, they have the same objectives—providing more food for those who need it and making effective use of our food abundances to benefit farmers and consumers alike.

In California, for example, 27 counties and one city have family food donation programs with 59,630 needy persons benefiting. These figures swelled by 17,350 persons in April 1967, when heavy rains in the San Joaquin Valley idled farm workers. Heavy shipments of USDA-donated food from California's Sacramento and Los Angeles warehouses went to these workers. Emergency shipments of additional carloads of canned meat, rolled oats, lard or shortening, margarine and flour from USDA's Commodity Office in Minneapolis, Minn., were also provided.

In Illinois, where 38 counties and 33,693 needy persons normally take part in USDA's family food-donations program, some 8,000 meals made from USDA-donated foods were served daily in the Chicago area to victims of a tornado. The mass feeding continued through the 1st week in April and two weeks in

May, while some 90 families received direct donations of USDA food on an emergency basis.

USDA has the food. C&MS has the experience and organization to work with any State, county, or local government to help set up food assistance programs suited to continuing or emergency needs. A newspaper in Haywood County N. C., said this about the program: "Without a doubt, this is an excellent way to get rid of Federal surplus food . . . It is to the credit of the county to try to help the poor and needy out in this manner . . . This is one Federal handout that can be most useful around meal time."

As of April 30, 724 areas in 41 States and the District of Columbia were taking part in USDA's Food Stamp Program. Some 116 additional areas were expected to join the program in May and June. Total geographical participation at the end of fiscal 1967 would then be 840 areas in 41 States and the District of

. . . and here.



USDA food reaches here . . .

Columbia.

In one area, in Arkansas, which had 27 participating counties as of May 1, a coupon customer bought \$70 worth of food for his family of eight. He regarded his purchases and then said, "Pinch me. I want to see if I'm dreaming." This man buys \$54 worth of coupons each month and receives another \$50 worth free.

And in Kentucky (49 participating counties as of May 1), a local daily carried a comprehensive run-down of USDA's Food Stamp Program and made these observations among others:

"A chain grocer tripled his volume after the Food Stamp Program.

"A small grocer, no longer shackled by credit, raised the necessary cash for expansion and renovation of his store.

"Human reward is increased dignity.

"A 62-year-old unemployed man, with a wife and eight children, receives \$90 worth of coupons for only \$12."

In Wyoming (all 23 counties participating) several food dealers appeared surprised and pleased after taking part for a few weeks in the Food Stamp Program. They found the mechanics of participation quite simple and received unusual cooperation from their customers.

In another area, in Utah (27 counties participating as of May 1), local officials believe that the program tends to divert money used previously for alcoholic beverages to food. (This observation confirmed in Kansas, where five counties were in the program, on May 1.)

And again in Arkansas grocers report that participants profit from advice on using their Federal food coupons wisely and from budgeting their spending.

CONSUMER AND MARKETING BRIEFS

Selected short items on C&MS activities in consumer protection, marketing services, market regulation, and consumer food programs.

A LADY'S TOUCH

C&MS's newest lady veterinarian, Dr. Ann Van Goethem, requested that management of a meat packing plant replace a rusty shroud tank. The management not only complied — but also added a touch of gallantry. The very next day they presented the new shroud tank, a stainless steel one, wrapped in pink ribbon and a big bow.

SCHOOL LUNCH CAN SHARPEN MANNERS

Familiar sounds of school days: "Let us lower our voices, children. Try to talk so that no one hears you except the one to whom you are speaking. Also, many of you are leaving trash on the cafeteria floor."

Fed up with making this type of speech, the principal of Hanley Elementary School in Memphis, Tennessee, decided on a new tack — the Hanley Dining Room, training ground for good manners. It is an example of one way in which many schools are making the School Lunch Program — administered by the U.S. Department of Agriculture's Consumer and Marketing Service to promote better nutrition — into an educational experience as well.

A group of teachers and the cafeteria manager set up plans for converting a seldom-used room next to the cafeteria into a decorative dining area where two classes at a time could dine in style — with tablecloths, centerpieces and all.

Opening day of Hanley Dining Room was a big event, with teachers on hand to coach the children on the proper way to sit, how to use

their silverware and napkins. The borrowed tables and chairs were too big for the little first graders to manage easily. It didn't really matter. What counted was that they were the first to eat in the dining room with their teachers. "May I have some water, please" and "Thank you" were typical pieces of table talk.

The project has had a striking effect on the whole cafeteria. Students are less noisy and do not litter the floor nearly so much as before. There's a weekly schedule for use of the dining room and the students keep up with their day better than the teachers, says the principal. What's more, it's an excellent place to entertain visitors. The children love to show off their dining room and good manners.

OPERATION WATCHBIRD

Another hurricane season is here. Again, the U. S. Weather Bureau has selected names to identify hurricanes that may develop this season in the South Atlantic and Caribbean, or in the Gulf of Mexico. Among the 1967 names are Arlene, Beulah, Chloe, Doria, Edith, Fern, Ginger, Heidi, and Irene.

And again, if destructive hurricanes occur, disaster-relief organizations and local workers can lean heavily on USDA's Consumer and Marketing Service and cooperating State distributing agencies for the food needed to feed the displaced and the homeless.

But this season, something has been added to the hurricane picture. And this is *Operation Watchbird*, which works like this:

Each weekend, a member of C&MS's Commodity Distribution

Staff in the Southwest becomes a *Watchbird*. He constantly monitors sources of news, and especially stays on the trail of hurricanes that may still be at sea. He relays his findings to his headquarters, which may decide to go into action before the disaster actually strikes. By so doing, they may have USDA food ready to feed disaster victims before highways become blocked and communication lines downed or overloaded. Most USDA food may be instantly diverted by State and local agencies from Federal-State-local food-donation programs when natural disasters strike. And most any food used for emergency feeding is quickly replaced by USDA so the everyday programs can continue.

C&MS has always reacted quickly to make USDA donated food available for disaster feeding. *Operation Watchbird* in the Southwest should further reduce reaction time. Other C&MS areas in the Southeast, Northeast, Midwest, and West have similar alert procedures that have not been formally named.

PLENTIFUL FOODS FOR AUGUST

The August plentiful foods list of the U. S. Department of Agriculture's Consumer and Marketing Service is a "natural" for celebrating August Sandwich Month.

The feature is turkeys, from a record crop, and these popular birds are going to market earlier than usual this summer. What's better for indoor or outdoor eating than barbecued turkey, served hot or cold?

Other plentifuls for August food shoppers are peanut butter, tasty fish fillets and fish steaks, seasonal summertime vegetables and lemons and limes.

August marketings of turkeys are expected to be 6% greater than a year ago, and prices should average below last summer's levels.

The peanut crop is a record—in fact, it's a fourth bigger than the 1960-64 average. Indications point to heavy supplies of peanut butter continuing for some time.

There's a heavy inventory of frozen fish fillets and fish steaks on hand — about 175 million pounds, or some 28 million more than available a year earlier. And August is always an ideal month for outdoor fish cookery.

August will bring a variety of seasonal vegetables, too, from normal shipping point sources, and these will be supplemented by vegetables from local market gardens.

There'll be lots of lemons and limes on the market also for thirsty shoppers since both crops are larger than last year and greater than average.

22 BEEF SERVINGS A SCHOOL KID

Twenty-two servings of beef per child eating lunch at school—that's how much beef USDA's Consumer and Marketing Service bought and distributed to schools having lunch programs in the year ending June 30.

The beef included 28.3 million pounds of USDA Choice grade frozen boneless roasts and ground beef, 27.6 million pounds of canned beef in natural juices, and 14.9 million pounds of frozen ground beef—and the cost totalled over \$41 million.

In addition, C&MS purchased during the latter months of the fiscal year, some 44 million pounds of USDA Choice frozen boneless roasts and ground beef for delivery to schools this coming fall—enough to get the school lunch year off to a good start with 11 servings per child, for the estimated 22½ million children who will be getting school lunches.

MARKET NEWS — (continued from page 5)
device by a market news reporter, perhaps several times daily. Then, persons wishing the information merely dial the proper number and

receive the news. This saves reporters' time and provides rapid dissemination. Fruit and vegetable market news is available through such answering devices in Phoenix and Yuma, Ariz.; Salinas, Calif.; Idaho Falls, Idaho; and Weslaco, Texas. A new telephone service (the first for fruits and vegetables in the South) went into operation in Pompano Beach, Fla., this season.

Livestock market news is similarly available in Colorado, and dairy and poultry market news in Missouri, New Jersey, and Connecticut. Grain market news men use answering devices to provide market information to radio stations and newspapers in several areas.

Many other changes have appeared in the face of market news, far too many to enumerate, but here are a few:

*Cotton market news is now available for Spanish-speaking producers in South Texas. So successful was this program that some farmers in Mexico requested similar service (on Mexican cotton) from C&MS!

*Dairy market news men now report prices on dairy cattle for replacement herds in Wisconsin and Virginia.

*To reflect the large exports of wheat by the U. S., a monthly market news report is now issued on wheat exports, giving figures on both commercial and concessional sales.

*Livestock market news reporters, realizing that the timely value of much market news information was lost by mailing mimeographed market news reports, began reducing the number of mailed reports and emphasizing radio and television dissemination. In a five-year period, more than a million mailed reports were stopped, saving \$35,350, while at the same time more people are reached through the broadcasting media.

As the world changes, all things change accordingly, including the agricultural marketing industry and the programs that serve the industry. And so through the recent history of one of these programs, we can see the changing structure of our complex marketing system, reflected in the changing face of market news.

FOOD TIPS

—from USDA's Consumer
and Marketing Service

There are three main types of rice, so before you buy decide on your purpose. Long grain rice is three to four times as long as it is wide, and the grains tend to remain separate in cooking. They are light, chewy and fluffy. This type is preferred when rice is served as a vegetable or side dish. Short and medium grain rice has short, plump kernels, which cook soft and moist, and cling together. These types are good for puddings and for dishes requiring an easily molded rice. If you buy rice in a plastic package, you can judge the quality for yourself. Look for milled rice that has a nice luster and white appearance, has relatively few broken pieces, and is free from foreign matter. These factors are considered in grading rice. Some packages may carry a U.S. grade U.S. No. 1 is the highest.

* * *

Barbecued kabobs, known as "shishkababs" in the Middle East, are becoming popular in this country for quick, complete meals. Try using the large, sweet varieties of onions, such as the Sweet Spanish variety, for separating the meat kabobs on the skewers. They make ideal wedges, need not be cooked all the way through for good eating, and won't bring tears to your eyes when you cut them. First, peel them. Then, cut them into quarters, from which the wedges or pieces may be separated.



The dairy and poultry market news reporter collects his information from wholesalers and distributors in the market place (top), in warehouses (middle), and by telephone (bottom).

By Harry A. Rust

SEPTEMBER 1967 marks the 50th anniversary of Dairy and Poultry Market News. From a modest beginning in 1917, the service has grown steadily and today is credited with bringing about greater economy and efficiency in the marketing of dairy and poultry products. The service is operated in cooperation with State departments of agriculture by the U.S. Department of Agriculture's Consumer and Marketing Service.

This country's entry into a World War precipitated the development of dairy and poultry market news reporting. It was generally recognized that market news, valuable in time of peace, would be especially useful during time of war to help conserve and make the most efficient distribution of our Nation's

DAIRY AND POULTRY MARKET NEWS CELEBRATES GOLDEN ANNIVERSARY

food supply. Therefore, the service was expanded and emergency war funds were set aside in the fall of 1917 for daily reports on butter, egg and cheese prices. The full market news service for dairy and poultry products, however, was not formally inaugurated until the following fall.

The importance of this news service was quickly recognized. Reporting offices were organized around the country, in Washington, New York, Chicago, Philadelphia, Boston, San Francisco, and Fond du Lac, Wisconsin. Each of these areas was, and still is, an important center of trade for dairy and poultry products.

Today, dairy and poultry market news is reported from 33 field offices in 29 States with a reporter officer-in-charge at each station. Each office is authorized to report local and area markets and to disseminate information gathered locally and received over USDA's nationwide 20,000 mile leased wire network.

Market news for dairy and poultry products reports markets on 23 commodities of commercial significance in major production areas and terminal markets.

Dairy products reported include butter, cheese, fluid milk, and fluid cream; dry whole milk, nonfat dry milk, and dried whey; casein dried buttermilk, animal feed dry milk, condensed milk, condensed buttermilk, and evaporated milk. Poultry products reported include shell eggs, liquid, dried, and frozen eggs; and live and processed poultry, rabbits, and ducks.

Dairy and poultry market news — including prices, market conditions, market receipts, volume movements, and cold storage holdings — is "deader than yesterday's news" if it is not relayed to those who need the information immediately. Therefore, every means of modern dissemination is used — including radio, television, newspapers, and USDA's leased wire network.

Trained reporters are in contact with approximately 2700 marketers of dairy and poultry products. In-

formation is gathered largely on a daily basis, and is systematically verified by cross checking of buyers and sellers, and by personal observation and examination. Reporters are authorized to exclude information that cannot be verified to their satisfaction. One of the reasons for the success of the dairy and poultry market news reporting system is that the information is so carefully compiled and checked.

Essential in collecting the data required for these reports is the close cooperation of the various State departments of agriculture. The first written Federal-State Market news agreement was signed in 1931 with California. Similar agreements were signed with North Carolina, Michigan, New York, Maryland and Virginia during the following decade. Today, market news agreements are in effect in 36 States.

Who, exactly, benefits from dairy and poultry market news reports? More people than you may realize — people in every stage of marketing, directly and indirectly. Dairy and poultry market news reports are used by:

- *Producers — to determine where and when to sell products and prices to expect, and to check price returns on market shipments.

- *Dealers — to obtain statistics to formulate buying and selling policies, and storing operations, and as a basis for negotiating buying and selling prices.

- *Processors — to determine market prices, supplies and trends; to determine inventory and storing policy; to base payments to producers; to coordinate sales and distribution.

- *Retailers — to determine prices to producers and dealers, and to determine market trends and selling prices.

- *Government agencies — to plan and adjust purchasing and price support programs; to make market and price analyses, and outlook reports.

- *Cooperatives — to determine market conditions and trends, and selling prices.

*Institutions and restaurants — to determine prices, and menu programs.

*Hatcheries — to determine quantities of eggs to set, and prices to pay for hatching eggs.

*Public carriers — to estimate transportation requirements of marketing areas and to establish rates.

*Publishers and broadcast media — for reports to readers, listeners, and viewers.

*Cold storage operators — to determine space requirements for particular commodities.

*Banks — to study market trends in connection with loans where dairy and poultry products are used as collateral.

*Equipment manufacturers — to

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plan production on packaging material such as egg cases, and to follow market trends.

All these people and institutions have available not only daily reports, but also weekly, monthly and annual summaries on market conditions and trends affecting the dairy and poultry industries.

Each term used in these reports has a precise meaning as applied to market conditions and prices. For example:

Very firm — describes a market with supplies below current needs, price advances quite generally in prospect.

Steady — describes a market in which supply and demand are well balanced.

Unsettled — divided feeling in market tone and price trend.

Weak — a market in which supplies are definitely in excess of demand, trend of prices is downward, and further declines may occur.

Although dairy and poultry market news reporting is 50 years old this year, it cannot be accused of getting "hardening of the arteries." Dairy and poultry market news reporting is just as adaptable to our changing times today as it was during the First World War, as is pointed out in a companion article in this issue, *The Changing Face of Market News*.

MARKETING TO KEEP UP WITH CHANGE

Marketing specialists attended workshop devoted to planning effective, efficient marketing programs to keep up with a changing food industry.

By George H. Goldsborough

"CHANGES IN THE habits of the American consumer, in the technology of food processing, and in transportation — these will have a significant bearing on marketing in the future."

So said Howard W. Ottoson, Director of the Nebraska Agricultural Experiment Station, at the opening session of the 1967 National Marketing Service Workshop.

The Workshop, held in Lincoln, Nebr., last April, was devoted to planning more effective and efficient marketing programs to keep pace with a changing food industry.

It was sponsored by the National Association of State Departments of Agriculture, National Association of Marketing Officials, and the Consumer and Marketing Service of the U. S. Department of Agriculture.

The 205 marketing experts who attended the workshop represented 40 States and the District of Columbia. They included industry representatives, University agricultural marketing economists, and representatives of the State and Federal departments of agriculture.

More than 40 speakers addressed the entire group or the individual work groups during the three-day meeting. The major themes of the workshop were market development, export marketing, multistate programs, marketing information, centralizing producer selling efforts and meeting current and prospective problems of a changing food marketing system.

Opening with a talk on food marketing in change, Dr. Ottoson said the American consumer will continue to buy more expensive foods, with added costly marketing services.

In food processing, Dr. Ottoson said two classes of change have taken place and will continue. The first class is the development of new

and improved foods.

The second is in methods of processing. Dr. Ottoson cited many examples of these: short time, high heat canning; dehydration with the essence-recovery process; explosive puffing of fruits; and irradiation.

On the subject of transportation, Dr. Ottoson said the development of long haul trucking and air transport, and improvement in barge equipment and railroad cars, have all helped to make food marketing more efficient.

"The general effect of all of these changes will probably be to lower the relative costs of transporting agricultural products," he said.

James Kendrick, University of Nebraska agricultural economist, told the audience there is need for a new approach to expanding and collecting data on agricultural production and marketing needed for decision making by farmers and firms. Rather than the mailed-in questionnaire now used to collect marketing and production data, Dr. Kendrick suggested a much smaller and carefully selected sample that could be reported correctly and frequently by a paid contractor. He predicted an increase in the use of grading with advance negotiated premiums and discounts for variance from established norms, and an expansion of contract farming, which he said could happen in many forms—pooling, vertical integration of processing industries, or farmer owned and supervised processors.

"For agricultural marketing," Dr. Kendrick said, "the future is key-noted by the word 'vitality.' It will not come automatically, but through hard work and a watchful attitude over desired trends."

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Instant Nonfat Dry Milk Makes the Grade

Wholesomeness, pleasing flavor, natural color, instantaneous dissolving now are assured by the USDA grade mark.

HERE'S NEWS FOR you budget-conscious, weight-conscious, quality-conscious consumers: Something will soon be added to instant nonfat dry milk. It's the U.S. Department of Agriculture grade shield — your assurance of high quality and wholesomeness.

Most major firms have decided to market instant nonfat dry milk in packages bearing the "U.S. Extra Grade" shield, which means that the product is processed and packed under the careful scrutiny of graders from the Dairy Division of USDA's Consumer and Marketing Service.

This grademark on the label, which will be seen for the first time on a nationwide basis, is a reliable quality guide in buying instant milk. It assures that the milk is of high quality, is a safe and wholesome product, and has been processed and packaged in sanitary plants.

To earn the "U.S. Extra Grade" shield, instant nonfat dry milk must have a sweet and pleasing flavor and a natural color. It must also live up to its name — that is, it must dissolve instantly when mixed with water.

Also, the instant milk must be

processed and packed under the continuous surveillance of a USDA resident grader, who makes sure that it is free from harmful bacteria and meets other exacting laboratory tests for grade requirements. The USDA grader is a specialist in dairy quality, trained in dairy science and food technology.

The plant wishing to carry the USDA grade shield on its packages must operate under the C&MS Resident Grading and Quality Control Service, a voluntary fee-for-service program designed to assure consumer protection through every step of production.

The "instantizing" of nonfat dry milk, by which regular dry milk is made into the popular "instant" variety, is accomplished by a complex process which makes the dried milk powder into larger, more easily dissolved "flakes."

Instant milk marketed under the U.S. grade shield must be produced in a plant that has first been federally inspected and approved. Such approval is based on detailed checks on more than 100 items involving the plant, milk supply, equipment, operating procedures, and packaging.

The plant's facilities must include a USDA-approved laboratory where official grading and quality control tests can be performed by the resident grader as a part of his continuous inspection of this product.

In operation, the grading program assures that:

- * The milk powder is checked during the instantizing process for moisture content, flavor, and solubility.

- * The USDA resident grader keeps constant check on operating procedures, sanitation, and product quality.

A final quality check is made on the instant milk ready for retail sale to make sure that the contents of every package bearing the "U.S. Extra Grade" shield are safe and truly measure up to the quality standards for the grade.

Finally, before the package can carry the grade, the label itself must be approved — it can bear no conflicting or misleading statements.

The entire program is designed to give you complete assurance of wholesomeness and high quality — to give you a better way to buy instant nonfat dry milk.

